

# Su-Knik Mitigation Bank Functional Assessment Method Development Meeting

June 6, 2006, 8:30 am.

Historic Anchorage Hotel. Anchorage, AK.

## Attendees:

### Mitigation Bank Proponents: Sustainable Environments, LLC

- ✓ • Jerome Ryan, President
- ✓ • Kevin Noon, Wetland Specialist

### Consultants for Sustainable Environments, LLC:

- ✓ • Josh Wozniak, Herrera Environmental Consultants, Inc.
- ✓ • Jon Hall, Three Parameters Plus, Inc.

### Mitigation Bank Review Team (MBRT)

- ✓ • Steve Duncan, U.S. EPA
- ✓ • Skip Joy, US Army Corps of Engineers
- ✓ • Jack Hewitt, US Army Corps of Engineers
- ~~Leroy Phillips, US Army Corps of Engineers~~
- Mike Bethe, Alaska Department of Natural Resources
- ✓ • Larry Peltz, National Oceanic and Atmospheric Administration
- ~~Phil Brea, US Fish and Wildlife~~
- Jim Powell, Alaska Department of Environmental Conservation *phon?*
- Steve Cypra, Matanuska-Susitna Borough.

✓ *MARY LYNN NATIONS USFWS*

## Meeting Agenda:

- Introduction
- HGM background and current models.
- Proposed modifications to existing slope/flat wetland methodology to assess functions in the mitigation bank.
- Proposed development of riverine wetland methodology and application to the mitigation bank.
- Work plan for subsequent project milestones.

## **Meeting Minutes**

### **Su-Knik Environmental Bank MBRT Meeting**

**Date:** June 6, 2006

**Attendees:** Steve Duncan of the Environmental Protection Agency ("EPA")  
Jim Powell of the Alaska Department of Environmental Conservation  
("DEC"), via phone  
Jack Hewitt who will replace Skip Joy Army Corp of Engineers  
("ACOE")  
Skip Joy of the Army Corp of Engineers ("ACOE")  
Leroy Phillips ACOE  
Larry Peltz of the National Marine Fisheries Service ("NMFS")  
Mary Lynn Nation with FWS  
Mike Bethe of the Department of Natural Resources ("DNR")  
Jake Hodge, Sustainable Environmental LLC, via phone  
Jerome Ryan, Sustainable Environmental LLC  
Kevin Noon, Sustainable Environmental LLC  
Steve Cypra - Borough

Josh Wozniak, Herrera Environmental Consultants  
John Hall, Sub-consultant to SELLC

**Location:** Historic Anchorage Hotel, in Anchorage, Alaska

#### **Purpose of the meeting is to:**

Present the HGM Functional Assessment methods that SELLC is planning on moving forward with. It is a direct result of the meeting 4 months ago with MBRT.

Kevin Noon, Steve Duncan, and Jim Powell have coordinated on the Executive Summary iterations and what would be deemed appropriate for the ecological assessment.

Review documents sent to the MBRT (early March); the Resource Overview and the Executive Summary to be used to go up the signatory chain and used as a primer for the people to understand the process.

Discuss process of moving forward

- SELLC process
- Next 4 months conduct field work for the ecological assessment for first property and prepare a Summary Prospectus (Outline format with first discussions on credit ratio, etc.)
- September meet to discuss the initial findings of the ecological assessment as well as the Sum Prospectus.

#### **Handouts:**

- Ecological Assessment Draft
- Resource Overview
- Executive Summary

#### **Discussed:**

Steve and Skip clarified something SELLC has in their documents...that they will not guarantee that every project in the Valley will require mitigation. It will be on a project by project basis. (Clarified something that was in one of the SELLC documents.) While it is becoming a bigger part of their program they do not want to guarantee that every action will require mitigation. Certainly larger projects will demand mitigation. However, they confirmed that mitigation will be determined by the normal permitting process – avoidance, etc. and that there is no guarantee that the mitigation bank would be the only choice for mitigation.

#### ***Presentation of HGM Overview***

Presented an overview of the actual path of the ecological assessment (HGM) by Herrera and John Hall presented the Ecological Assessment Draft.

#### **Preliminary analysis of wetlands in the first phase**

- Preliminary analysis – most Flat/Slope (90%) and Riverine wetlands (10%), few acres (10) of Depressional wetlands.
- Phase one is a cluster of sites encompassing 1800 acres selected for the threat of development.
- There are some HGM types that are not in the Phase One. These will be addressed as they in future bank phases.

#### **Described Approach/Process for conducting the HGM**

- Use Jon Hall/Jim Powell methodology for assessing the functions of these wetland types. Their method calibrated the wetlands for this Ecoregion.
- Flat/Slope Wetlands
  - Variables will be measured through Aerial Photography, GIS, and followed by Ground Truthing
  - Air photo will measure variables such as – slope, disturbance of horizon area, cursory vegetation type
  - Ground truthing will measure and calibrate the above variables and then a subset of the these variables – woody debris, microslope, phytoplankton, animals

- John Hall provided a detailed walk through of the model for flat/sloped wetlands and how it was developed and used in the Kenai.
- Riverine
  - Propose using the data taken in the development of the Flat/Slope HGM add the data from a few reference sites and develop a model that is complimentary to the Flat/Slope model.
  - There will be reference sites calibration, and ground truthing.

#### Density of the sampling

##### Flat/Slope Wetlands

- 10 % sample of wet polygons id'd in Phase one– 1900 acres or about 500 polygons – so visit 50 -60 polygons of Bank to make assessment determination.

##### Riverine Wetlands

- 10% of riverine polygons

#### IRT clarified:

- Use the supplement of the 1987 manual to do delineation. It is not officially accepted but everyone is requested to use it. – SELLC confirmed they will use. Jim Powell clarified that they will use the April Supplement. It is required.
  - Steve Duncan? Needs a copy – SELLC will provide.
- Jim Powell recommended:
  - Herrera bring the 1987 and supplement forms in the field and run the data sheets.
  - Check in with Michael Hawley, with the corps, to review how you are approaching this.
- Use soil indicators for AK soils. Soils haven't always been available for them. A few have been developed.
- How to do the Vegetation has changed. The 20/50 rule is now different. SELLC needs to get clear on that.
  - SELLC will follow up.

#### ***SELLC asked for confirmation on:***

##### Flat/Slope Wetlands

Density samples– appropriate and sufficient

Variables are going to be an appropriate tool to evaluate function of the bank.

##### Riverine Wetlands

Draft set of variables-appropriate (This is the most critical for field work. The other issues can happen concurrently with the field work.)  
Draft model as to how these variables compile to get to the functional assessment.  
Density samples - is appropriate and sufficient  
Calibrating the streams will need to be done for stream type.

Jim Powell recommended that the classification of the streams be done using the Rosgin method. Streams could be grouped. Herrera confirmed they will be using.

Herrera will calibrate for the riverine model to stream types that occur in phase 1 bank. Will calibrate to larger streams in later phases and develop methods that are appropriate for those streams. This will be done at the same time as depressional wetlands and palustrine wetlands.

***IRT comments:***

IRT needs to approve the model prior to the field work. They need to know how SELLC is going to get to the functional capacity. The model needs to be transparent so the IRT can understand in how the model was created. The model needs to be relatively easy to use in the field. They would like to see a rapid assessment method similar to what was done in SE AK.

They also requested that there be a checklist or booklet or key that they can take out in the field by themselves. The IRT will need a demonstration of the model in the field (much like they did in the SEAlaska Bank.) This will give a level of confidence to the IRT. It will to build confidence in the IRT members. For some members it has been awhile since they saw the methodology applied in SEAlaska. For others the development and application of the methodology is clear.

Jim Powell, suggested stream lining the methodology. SEAlaska was a struggle but found they could collapse 8 functions to 3 functions and make the model easy for others to use and still get accurate results.

Goal for the corps is real interesting between bank and the applicant. They were hoping that a land owner, a mom pop, excavator, could come in with a proposal and develop an understanding by looking at the property of what it may take in terms of debit/credit to develop that property that that be the first step.

Page 9 in the handout has an overview of method development. The handout currently has the list of variables, and intended process. It was developed with Jim Powell using the draft models.

IRT feels the work is moving in the right direction

***Schedule:***

It was decided that drafts of the models will be submitted to the IRT without another meeting. Then have a field trip with the IRT to go through the application of the model in the field.

- 2-3 weeks get models for review
- Field trip in 1 month. (First couple of weeks in July.) Set aside ½ to 1 day. First 1 hr to 2 hrs. for explanation. Visit a site that needs to be ground truthed or a reference site.

The flat/slope model can be done today

The draft of Riverine model could be done in a couple of weeks. SELLC has data from previous studies, as Jim Powell mentioned, it could be based on the SE model and national model and draft model of floodplain for the interior (AK).

It was noted that while the draft Riverine model would be ready for the field trip, the calibrations would not because the existing data is based on the riverine in the Kenai. IRT approved this approach as it will give them understanding of how model works. The calibrations could be plugged in later.

It was also noted that some of the assessments are done using GIS so they would be done prior to the field work.

### ***Review of the Submittals sent to the IRT***

#### ***Site Selection Methodology***

IRT thought it was a good method and good site selection. Those are the sites that are closest to the areas that are being heavily impacted and are amongst most of the susceptible to impacts in the near term and that was the bottom line as far as I'm concerned [Steve Duncan].

4 clusters of properties of selected. We are refocusing some on the Port Mackenzie area. But don't know how successful it would be. Skip thought it may push it into a higher priority when development spins off from the development of the ferry/bridge. Impacts from that may be 3-4 years out so may have time to add that as priority site.

#### ***Executive Summary***

One page Executive Summary that was to be taken to the signatories to start educating them on the process. Plus added supplements previously submitted on preservation banking and how it works.

IRT - It has gone to the branch chief so he is aware of it. The Corps has created a Mitigation Banking Committee. Someone from that group was to come but had a death in the family. Some member of that committee, in the regulatory branch, will be attending it from now on to help make it move up the ladder.

## ***Other issues***

### ***Change of Project Manager***

Jack is project manager now. This will be the last meeting for Skip will be out of the picture entirely. He is out of the valley except for GIS stuff. Jack plus a member of that committee will attend all the rest of the meetings. The committee person will make sure it coincides with in house guidelines and help move this thing forward more rapidly

This group needs to be mindful of the in-house guidelines that were put out after the national guidelines. State agencies are commenting on the national guidelines. There has been a suggestion that there be a state wide bank. Good to have a person in the corps tracking project. A Committee was formed to put together comments for final rule. After that they will be available for assistance. Nicole from this committee was going to attend today. However, she is not the point of contact for this bank in the Mat-Su Borough.

SELLC asked whether the state has made any comments that would affect the Mat-Su Bank. SELLC's review of the proposed Regulations looked like it was about expediting process and evening out playing field for requirements for compensatory mitigation. Anything else in there? Jim Powell said he doesn't think so. It's pretty general. There was some comments from DNR about a state-wide bank. Don't know what will be in the final letter. Recommends just be mindful of it.

SELLC asked for clarification of State-wide bank concept? Jim Powell said some of the draft material was should we or should we not propose a state-wide bank? Jane Kenick from DNR couple of administrations ago studied and concluded no. They currently have the stay in the watershed approach. He does not have more specifics. Comment period is until the end of the month. Agrees the in-lieu needs to be tightened up.

### ***IRT - How is Mat-Su Borough going to use this bank? – Nicole? (FWS)***

SELLC explained that Mat-Su is just providing the land. There is not a bank office. Purely a land proposition.

### ***IRT - Why is there a need for the bank?***

There is large development that is impacting the wetland ecosystem of the Borough. At this time there has not been a bank or a streamlined system that has allowed for mitigation of those impacts. Borough looked at their large land holdings and saw a financial opportunity rather than selling out to developers. Borough sees using the bank to help both of those issues – 1. Financial and 2. Appropriate wetland mitigation for people who will impact. How the bank will be used is what this process is about and follows the regulations. There is no difference between this bank and one in the lower 48's.

### ***IRT the banking Process***

SELLC explained the Banking process. (Jerome and Kevin) along with CORPS and EPA.

### ***IRT comments on parcel breakdown***

CORPS is pleased with the breakdown of the parcels into individual banks

***Next Steps***

Summary Prospectus – ok to move ahead? IRT approved.

Jm Powell left meeting @ c. 2/3<sup>rd</sup>s of the way through meeting.

END